

INSTRUCTIONS GOVERNING EXPENDITURE PLANS AND ALLOTMENTS FISCAL YEAR 2004

Each department shall submit the following:

1. A request for Allotment (Form A-19) for each appropriation account, including trust and revolving funds, authorized by Act 200, SLH 2003. For any program with multiple trust or revolving appropriation fund accounts, a separate Form A-19 should be prepared for each appropriation fund account.
2. An operational expenditure plan for each appropriation account requested by each Form A-19.
3. A separate narrative page indicating program objectives and activities as related to the program expenditure plan.

I. Operational Expenditure Plans (OEP)

Each department shall submit an initial expenditure plan for each program for which funds have been appropriated pursuant to Act 200, SLH 2003. The Department of Budget and Finance (B&F) shall review the expenditure plans and allotment requests shall generally be approved on the basis of such plans. Expenditure plans for specific appropriations are not required.

A. Expenditure plan submissions shall consist of the following:

1. One copy of the expenditure plan which shows the quarterly outlay of funds for the appropriation account by personal services, other current expenses, equipment and motor vehicles. (See Sample 2.)
2. A separate narrative page indicating program objectives and activities. This narrative should include data indicating what is to be done, how much is to be done, and other pertinent information relating to activities in each quarter. Utilize measures of work units wherever possible. The narrative should support and coincide with the operational expenditure plan. B&F may request any supplemental information which it deems necessary to properly review and evaluate departmental plans. (See Sample 5.)

B. Expenditure plan format.

1. Appropriation Column - Reflects the amounts by cost element in Act 200, SLH 2003, and as reflected in your operating budget details.

2. Current Restriction Column – There are no required restrictions for FY 04. However, any program appropriations not planned for implementation will be reflected in the Current Restriction column (Paragraph 22C of the Budget Execution Policies). Enter restriction amounts in this column by cost element (personal services, other current expenses, etc.). (See Sample 2.)
3. Net Transfers - Should reflect the net result of any transfers in or out of the program based on an approved Form A-21 or transfers among the cost elements in the program. Use plus or minus signs to show the direction of the transfers. Do not use parentheses to indicate a transfer out.

The transfers should be reflected only in Columns 3 (net transfers) and 4 (current allocation). Do not show transfers in the appropriation column.

4. Current Allocation - The figures in this column should always equal your current allocation, i.e., if all of your department's OEPs were summarized, the allocation column total should equal your current departmental allocation.

Any difference between the allocation and planned expenditure program total columns is assumed to be departmental savings or deficits.

5. Collective Bargaining – There are two specific appropriations acts for salary increases for FY 2004:
 1. Act 142, SLH 2003 – Unit 11
 2. Act 143, SLH 2003 – Unit 9

Enter the allocations from these acts on Line 2, CB - All, and line 5, Other Cost Items - All, if applicable. It is not necessary to separate the CB amounts by Included and Excluded on the OEP; this breakdown by BU and by Included and Excluded must be shown on the back of the initial A-19.

6. Financing Agreements – Enter all funds for financing agreements as defined in Executive Memorandum No. 96-17 on Line 3 of the OEP.

If the funds were budgeted (i.e., submitted in the budget request process on Tables BK), the amounts shall be entered in the Appropriations, Allocation, and in the appropriate fiscal quarter columns. (See Sample 2.)

If the funds for the financing agreement are unbudgeted (i.e., not submitted on Tables BK in the budget process), enter the amount in the Net Transfer column indicating the movement from the appropriate cost element, the Allocation column and the affected fiscal quarter columns. Do not enter the

amount in the Appropriations column. (See Sample 4.) A financing agreement may be unbudgeted because 1) a financing agreement was not anticipated as the vehicle to acquire a budgeted item, or 2) an unbudgeted item is being funded through program savings and is being acquired through a financing agreement.

Regardless of the cost element of the item being acquired through the financing agreement, all amounts should be combined on Line 3 and included in the Total Appropriations lines and on Line 9. Do not include financing agreements on any other line of the OEP.

7. Grants and Subsidies – Do not reflect grants and subsidies in the quarterly planned expenditure columns on the initial OEP. Upon approval by the Governor to expend the grant or subsidy, submit a revised OEP and Form A-19 to allot the funds in the appropriate quarter.
- C. Amended expenditure plans are no longer required with each revised allotment request. Unless requested by B&F, only initial and fiscal year-end expenditure plans must be submitted.
- D. If you generate your own OEP, instead of using the turnaround forms, please circle the line number of each line of data that is being changed since the last submittal. A change means 1) a change to any of the amounts on the line, 2) adding in data on a line that was previously blank, or 3) deleting an entire line of data. This is needed for data entry purposes. (See attached Sample 6.)

II. Request for Allotment (Form A-19)

Requirements for the Allotment Request forms are as follows:

1. Each department shall request allotment of funds appropriated or authorized by Act 200, SLH 2003, by program, by cost elements, by funds, and by quarters using Request for Allotment (Form A-19). (See Sample 1.) The breakdown by cost element must match your department's operating budget details.
2. A breakdown of the pay increase allocations by bargaining unit and by Included and Excluded must be provided on the initial A-19 (use the back of the form for this purpose). (See Sample 1-A.) Based on this information, appropriation transfers for the purpose of allocating pay increases to the expending agencies will be prepared by B&F on Form A-15, Allotment Advice, for both general and non-general funds. This breakdown is not required on subsequent A-19s. However, if additional CB allocations should be given to your department, a breakdown of the new allocations must be provided on the back of the A-19.

3. Restriction – There are no required restrictions for FY 04. However, any program appropriations not planned for implementation will be reflected in the Current Restriction column (Paragraph 22C of the Budget Execution Policies). Enter restriction amounts in this column by cost element. (See Sample 1)
4. Financing Agreements – Enter all funds for financing agreements, as defined in Executive Memorandum No. 96-17, as separate line items under Personal Services and Other Current Expenses in the Appropriation and other applicable columns.

Enter unbudgeted financing agreements in the Allocation and applicable quarterly allotment columns; do not enter them in the Appropriation column. See Items B.6 above for an explanation of budgeted and unbudgeted financing agreements.

Do not consolidate these financing agreement line items into the Personal Services or Other Current Expenses lines on subsequent amendments to the A-19.

5. Enter grants and subsidies in the Estimated Balance column on the initial Form A-19. Upon approval by the Governor to expend the grant or subsidy, submit a revised OEP and Form A-19 to allot the funds in the appropriate quarter.
6. Each form (A-19) should reflect a single appropriation account.
7. Each allotment form should reflect the proper appropriation act and year of authorization in the space provided. The program I.D. associated with each appropriation symbol must be shown on the Form A-19 in the space labeled, "Program I.D."
8. Only amounts appropriated or authorized by Act 200, SLH 2003, or other specific appropriation acts are to be reflected in column 2, "Appropriation."
9. Reflect transfers, including pay increase allocations, separately in Column 4, "Allocation for this Fiscal Year" and the applicable quarterly allotment columns. The pay increase amounts should be identified in column 1, "Allotment Category Description" as CB - All, and Other Cost Items - All. All other transfers should be identified as "Trf . . ."
10. Trust accounts authorized by Act 200, SLH 2003, will not be subject to reversion. An "N" should be placed in the reversion column of the Form A-19 for these accounts.
11. Upon approval of the expenditure plan, allotments shall be made for all quarters by B&F subject to a quarterly review of the availability of funds.

12. The Comptroller shall maintain control over departmental expenditures to ensure that expenditures shall not exceed the amounts allotted and shall not honor vouchers against program appropriations which have not been allotted.

Only trust and federal fund allotments may exceed authorized appropriation levels with Governor's approval. All other funds may be allotted only up to the authorized amounts in Act 200, SLH 2003, except as otherwise provided by general law.

13. Additional fund authorization as provided in the Appropriations Act or other specific acts are to be reflected in column 4 and the applicable quarterly allotment columns. The amounts should be identified in column 1 as "Addtl. Auth."
14. Each type of adjustment must be shown on a separate line when submitting an amended allotment request. Do not combine them into one adjustment item.

Subsequent requests should reflect the totals for Personal Services and Other Current Expenses from the latest approved Form A-19. (See Sample 3.)

15. Initial allotment requests must be accompanied by an expenditure plan and any other supplemental information requested by B&F. All required documentation must be submitted as a unit.

Requests for amended allotments shall be submitted with written justifications on the reverse side of the Form A-19 and any other information as required by B&F. Amended operational expenditure plans are not required with amended allotment requests.

Improperly submitted A-19 forms or incomplete submissions will be returned without action. Departments should consult with the appropriate analyst for further clarification of the reporting format.

16. With the exception of the University of Hawaii pursuant to Act 320, SLH 1986, as amended by Acts 283, SLH 1987, 370/89, 364/93, 272/94, and 281/94, all aspects of departmental allotment request shall be reviewed, evaluated and approved by the Director of Finance to ensure consistency with sound fiscal management practices.